

Voluntary Report - public distribution

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## Egypt

### Cotton and Products

### Egypt's Cotton Outlook 2003/04

**2003**

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**Report Highlights:**

Both area and production of cotton in Egypt reached record lows as farmers opted to plant other crops with better returns rather of cotton in Egypt. The GOE has decided not to renew its cotton subsidy program but is restricting certain cotton varieties from the export markets.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Cairo [EG1]  
[EG]

## PSD Table

Country:

Egypt

Commodity:

Cotton

Market Year Begin	2002		2003		2004	
	Old	New 08\2002	Old	New 08\2003	Old	New 08\2004
Area Planted	309000	302400	240000	218000	0	250000
Area Harvested	309000	302400	240000	218000	0	250000
Beginning Stocks	184414	87248	5734	5734	0	7734
Production	283045	285000	225000	190000	0	235500
Imports	16329	10000	120000	75000	0	120000
<b>TOTAL SUPPLY</b>	483788	<b>382248</b>	350734	<b>270734</b>	0	<b>363234</b>
Exports	195954	171014	140000	75000	0	150000
USE Dom. Consumption	185068	200000	200000	193734	0	200000
Loss Dom. Consumption	5008	5500	3000	1000	0	3000
TOTAL Dom. Consumption	190076	205500	203000	194734	0	203000
Ending Stocks	97758	5734	7734	1000	0	10234
<b>TOTAL DISTRIBUTION</b>	483788	<b>382248</b>	350734	<b>270734</b>	0	<b>363234</b>

PS&D estimates for MY 2003/04 have been revised to reflect new information obtained from the Egyptian cotton industry and the Ministry of Agriculture. Estimates for total area planted and production have been adjusted downward from 240,000 HA to 218,000 HA and from 225,000 MT to 190,000 MT respectively. The decrease in cotton production came because farmers, particularly in Upper Egypt, opted to grow other crops such as corn instead cotton due to better returns. In an effort to make local cotton available for local mills, the Ministry of Foreign Trade issued a decree in October that withholds the exportation of Egyptian long and medium long varieties (Giza 80, Giza 83, Giza 90, Giza 85 and Giza 89). These varieties are being sold to local mills at LE 450 per kantar (50 Kg) compared to LE 580 per kantar for imported cotton from Greece. Given the short supply of cotton in the country, it appears that the government will not implement its LE 200 million subsidy to encourage the use of local cotton by local textile mills.